

Tab B Return on Investment Program Funding Application For FY 10

Contact Information:

Date:	July 16, 2008
Agency Name:	DAS-ITE
Project Name:	Enterprise Licensing and Permitting System
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Executive Sponsor (Agency Director or Designee):	John Gillispie

Amount of Funding Requested:

Not to Exceed \$2,000,000 (\$250,000 for Consultant; \$1.75M for Enterprise Licensing and Permitting System)

Section I: Project Description:

This proposal intends to explore the practicality of replacing the current assortment of licensing, permitting, and/or certification systems used within various state entities with an enterprise licensing and permitting system to provide a single, shared, easily configurable, scalable licensing, permit and certification system. The proposed project's goals are to determine the requirements of the existing systems within state entities, examine the success of current licensing, permit, and certification systems, and explore similar systems employed by other states and vendors. The resulting research should result in discovering the most cost efficient licensing, permit, and certification system that can be implemented throughout the state enterprise.

There are two major phases to the project: 1) requirements planning & analysis, and 2) enterprise portal development.

The planning & analysis will be accomplished by competitively procuring consulting services to assess the current licensing, permit and certification approaches taken within state entities and by other states. Specifically the consultant(s) will examine: a) state-wide/cross-agency enterprise level applications, and b) discrete agency-specific applications that allow for licensing, permitting, and/or certifying professional, ancillary, commercial and trades occupations. Additionally, the consultant(s) will identify requirements of and recommend technology solutions for entities within the State of Iowa that have current or anticipated need for the licensing, permitting, and/or certification. This will result in a document containing the research, requirements, and analysis for an enterprise licensing and permitting system.

The enterprise portal development phase will be the purchase of an easily-configurable, interagency licensing and permitting information technology application that meets state technology/enterprise standards and the factors identified in the requirements planning and analysis document.

Describe the investments to be made in infrastructure and services.

Historically, various certifying or examining entities have sought to develop a unique system for granting approval to a wide range of skills or occupations. The disparate approaches taken have resulted in protracted information technology projects, and duplicative solutions resulting in failure to meet the expectations of the entities and producing unduly complex systems that have proven difficult to configure and maintain.

In order to lower long term costs of administering licensing, permitting and certification, it is recommended that the state implement an enterprise application to consolidate the myriad of certifications, licensing, and permitting functions under the purview of numerous state agencies. The functionality of the enterprise licensing and permitting system will accommodate:

- professional licensing and licensure boards,
- trades and professionals licensing,
- certification boards and examiners,
- certifications of evaluated skills, experience, abilities to perform highly-skilled occupations, and
- job skills that affect the health, safety, economy and general welfare of the citizens of Iowa.

Although state entities have a distinct and somewhat unique mission in carrying out their licensing, permitting, and/or certification roles, there are a number of common aspects to various systems that would lend themselves to an enterprise licensing, permitting, and certification system. The State of Iowa, with the cooperation of state agencies, would identify requirements for the enterprise licensing and permit system based on commonalities found within the current internal state entity systems and other state systems that share a need for enterprise licensing, permitting, and certification. Additionally, an analysis would identify peculiarities and risks due to change that must be accounted for in an enterprise licensing, permitting, and certification system. The requirements documents will put the State of Iowa in an advantageous leadership position to procure, or otherwise provide, a system that would be scalable to the greatest number of affected entities that have licensing, permitting, and certification roles. An enterprise system would alleviate the duplicative nature of current endeavors in this area and provide for economy of scale, commonality of user experience, centralized support, plus support for the goals of service oriented architecture.

Section II: Expected Results

An enterprise licensing and permitting system would impact a variety of paper based information systems, database systems and server-based applications currently in place to administer licensing, permitting, and certification systems that are already in place across State government. One particular group of agencies, the Iowa Dental Board, Iowa Board of Medicine, and Iowa Board of Nursing, is using a product called IFMC to handle their licensing function. IFMC announced several years ago that they were ceasing support and development of their product, leaving these 3 boards to contract with a consultant for maintenance of the system. This has proven costly and the contractor has announced plans to retire. There are approximately 7,600 dentists, dental hygienists, dental assistants, faculty, and resident licensees, as well as approximately 1,200 permit holders. There are approximately 11,000 physicians and 35 acupuncturists. The nursing board has approximately 53,000 active licensees. The boards also manage another 135,000 inactive or lapsed licensees.

On-line renewal already exists for the Department of Commerce Professional Licensing Bureau which licenses accountants, architects, engineers and land surveyors, landscape architects, real estate brokers and agents, real estate appraisers, and interior designers. This licensing is accomplished using a vendor-developed (Iowa Interactive, under a contract from IOWAccess) set of discrete applications in which each occupation's licensing is done through a separate system. The Board of Professional Licensure employs a consolidated system developed later by the same vendor. The Bureau of Professional Licensure licenses the following professions:

- * Athletic Training
- * Barber
- * Behavioral Science
- * Chiropractic
- * Cosmetology Arts and Sciences
- * Dietetic
- * Hearing Aid Dispenser
- * Sign Language Interpreters and Translitterators
- * Massage Therapy
- * Mortuary Science
- * Nursing Home Administrator
- * Optometry
- * Physical & Occupational Therapy
- * Physician Assistant
- * Podiatry
- * Psychology
- * Respiratory Care Practitioner
- * Social Work
- * Speech Pathology & Audiology

In the future, all existing systems would migrate to the enterprise licensing and certification system being proposed.

The Iowa Department of Agriculture and Land Stewardship has recently submitted a proposal for certifying approximately \$50,000 in fees annually from 10 different bureaus all of which are managing 10 different databases. One of the largest legacy databases lacks the requisite software support due out dated DOS system that was built in 1987 thus introducing risk to the information contained within the database.

The proposed enterprise system will include an on-line component for license renewal where the back-end data repositories are integrated to enable enterprise data sharing where appropriate. Current mail-in systems, if desired, can systematically be replaced with internet-based issuance and renewals portals. The portals will save time in the processing and payment of licensing. The enterprise project allows the state to achieve its strategic goal of providing services to citizens when and where they want them at reduced long term cost to the state. Upon completion of enterprise licensing and certification project, ITE hopes to accomplish the following:

- Standardize professional licensing across the state
- Consolidate efforts in licensing across the enterprise
- Foster a collaborative environment across agencies in solving common problems and program requirements
- Create a uniform look and interface for licensing to the citizens of the State, to increase customer service and accessibility to state government
- Avoid the high costs and inefficiencies of having each state agency create their own system
- Decrease the cost of licensing by eliminating or reducing paper processes and helping agencies identify more efficient processes
- Ensure payment collection through credit card payments
- Fulfilling the legislative requirement for digital access to government

The following agencies will have initially been identified as possibly being impacted by the standardization of licensing:

- Iowa Department of Agriculture and Land Stewardship
 - Dairy Products Control Bureau
 - Iowa Board of Veterinary Medicine
 - Pesticide Bureau
- Iowa Department of Commerce
 - Agent Licensing Bureau/Iowa Insurance Division
 - Engineering and Land Surveying Examining Board
 - Iowa Accountancy Examining Board
 - Iowa Architectural Examining Board
 - Iowa Landscape Architectural Examining Board
 - Securities Bureau/Insurance Division
- Iowa Department of Education

- State Board of Educational Examiners
- Iowa Department of Human Services
- Iowa Department of Inspection and Appeals
 - Division of Health Facilities
- Iowa Department of Natural Resources
 - Operator Certification
- Iowa Department of Public Health
 - Board of Behavioral Science Examiners - Iowa Department of Public Health
 - Board of Chiropractic Examiners
 - Board of Cosmetology Arts & Sciences Examiners
 - Board of Dietetic Examiners
 - Board of Examiners for Athletic Training
 - Board of Examiners for Nursing Home Administrators
 - Board of Examiners of Hearing Aid Dealers
 - Board of Massage Therapy Examiners - Iowa Department of Public Health
 - Board of Mortuary Science Examiners
 - Board of Optometry Examiners
 - Board of Physical and Occupational Therapy Examiners
 - Board of Physician Assistant Examiners
 - Board of Podiatry Examiners
 - Board of Psychology Examiners
 - Board of Respiratory Care Examiners
 - Board of Social Work Examiners
 - Bureau of Emergency Medical Services
 - Bureau of Radiological Health
 - Iowa Board of Barber Examiners
 - Iowa Board of Dental Examiners
 - Iowa Board of Medicine
 - Iowa Board of Nursing
 - Iowa Board of Pharmacy Examiners
 - Iowa Real Estate Appraiser Examining Board
 - Iowa Real Estate Commission
 - Iowa State Board of Speech Pathology and Audiology Examiners
 - Lead Poisoning Prevention Program
 - Tattoo Permit Program
- Iowa Department of Public Safety
 - Bail Enforcement Agency Licensing
 - Private Investigative Agency Licensing
 - Private Security Agency Licensing
- Iowa Department of Transportation
 - Office of Driver Services
- Iowa Supreme Court
 - Clerk of the Iowa Supreme Court
 - Iowa Board of Examiners of Shorthand Reporters
- Iowa Workforce Development
 - Chief Boiler Inspector, Labor Services Division

- Elevator Safety Section, Labor Services Division
- Labor Services Division
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Mandates, compliance with technology standards or health, safety or security requirements.

Agencies have brought online licensing to the forefront as they plan their own implementations. One of the goals of employing consulting services is to determine the extent of mandates and other requirements that are currently falling short of complete compliance.

Additionally, an enterprise licensing and permitting system would incorporate a common authentication and authorization (A&A) process. The advantages of this common A&A process include:

- Access to an identity-based portal that can integrate disparate applications, enable secure web access to applications and data, and enable users to access applications from their homes, offices, and other remote locations.
- Implementation of a standardized, secure identify and access management architecture that provides centralized management with local administration of users, centralized user identity information, synchronized user identity information across multiple applications (where appropriate), and application-level authentication and authorization based on the unique identity of the user (as opposed to a shared logon ID).
- Use of standards-based technology to ease application integration, provide for reuse of components and remain adaptable in the face of changing technology products.
- Implementation of a solution that is scalable to meet the current and future needs of state agencies, their employees, clients and customers, and business partners.
- Applications that meet federal security requirements for identity and access management, including HIPAA and NCIC security regulations.
- Providing a high level of security including the option of two-factor identification.

Expected Results:

- Increased User Satisfaction
- More efficient and defined processing procedures
- Decreased cost and time to the State and Licensee

Affect of the completion of the project. What changes will occur in organization structure, systems, or processes.

Professional licensing agencies will lose some individuality as the State moves towards a standardized package. However, what the agencies lose in individuality, the citizens of the State will gain in consistency when performing licensing activities with the State. State agencies will also be able to migrate to the internet more rapidly under a standardized system which has a set methodology.

The project will be judged by the following:

- Meeting of agency requirements
- Customer friendliness of licensing interfaces (i.e. customer satisfaction)
- Decreased cost of licensing activities from an agency and end-user perspective

The above will be determined by testing of the system to be completed by the agency and a random number of users throughout the implementation of the licensing product.

Section III: Financial Analysis

NOTE: Proposed application is intended to migrate existing and future systems which provide similar functionality. Expenses are based on anticipated offset of agencies procuring proprietary, stand-alone, non-SOA licensing, permitting, and certification systems due to dissatisfaction with current solutions.

Section IV: Auditable Outcome Measures

For each of the following categories, list the auditable metrics for success after implementation and identify how they will be measured.

1. Improved customer service
2. Citizen impact
3. Cost Savings
4. Project reengineering
5. Source of funds (Budget %)
6. Tangible/Intangible benefits

Enclosure One – Financial Analysis

Enclosure One, Financial Analysis Spreadsheet to Return on Investment (ROI) Program
Funding Application

Agency Name:

DAS-ITE

Application Name:

Enterprise Licensing and Permitting System

Table One: Estimated Project Cost

	FY10	FY11	FY12	FY13	FY14
Development and Implementation Costs <i>Consultant - NTE</i>	\$250,000	\$0	\$0	\$0	\$0
<i>Enterprise Licensing and Permitting System - NTE</i>	\$1,750,000	\$0			
Recurring Costs <i>Estimated at 10% of System Purchase Cost</i>	\$0	\$175,000	\$175,000	\$175,000	\$175,000
Total Costs	<u>\$2,000,000</u>	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$175,000</u>

Table Two: Percentage of Costs From

General Fund

Federal or other funding

Pooled Technology Fund

<u>\$2,000,000</u>	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$175,000</u>
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Table Three: Projected Reduction in Expense

For Requesting Agency	\$0	\$0	\$0	\$0	\$0
For Other State Agencies <i>Estimated as Future Expense Offset</i>	\$300,000	\$0	\$0	\$0	\$300,000
TOTAL Cost Reductions	\$300,000	\$0	\$0	\$0	\$300,000

Table Four: Calculated Estimated Return on Investment

Total projected cost from table one	\$2,000,000	\$175,000	\$175,000	\$175,000	\$175,000
Total projected cost reductions from table three	\$300,000	\$0	\$0	\$0	\$300,000
Projected Net Benefit to the State of Iowa	-\$1,700,000	-\$175,000	-\$175,000	-\$175,000	\$125,000